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## 1. Portrait

### Aerotech Peissenberg at a Glance

Since more than 50 years, all leading engine manufacturer worldwide trust in the top-quality and performance of engine components manufactured by Aerotech Peissenberg. We are an innovative, internationally renowned group with sites in Germany, Mexico and the Czech Republic. We specialize in the production of complex components for aircraft engines, industrial gas turbines and other aerospace applications. The extraordinary expertise and commitment of our around 700 staff members worldwide are the backbone of our company and the foundation of our success.

### Products

Our product range encompasses highly safety and performance critical engine components such as

- Compressor and turbine discs,
- Complex casings,
- Cones, rotating rings and seals,
- Shafts and drums

of up to 1,250mm diameter for civil and military aircraft engines and industrial gas turbines.

### Services

We offer our customers the entire value chain, from procuring the raw materials, to industrialization, through to the finished product. Alongside mechanical processing, we also use special procedures such as etching, plasma coating and broaching. An officially approved aviation laboratory rounds off our service portfolio. With our leading-edge plant, procedures and optimized processes, we are a key partner in a long-term collaboration with our customers around the globe.

### Quality

Quality, environmental protection and industrial safety are prerequisites for meeting the highest standards expected by our customers and for achieving our performance goals. We work continuously on sustainable improvements with clear objectives on zero defect, highest levels of customer satisfaction, maximum safety and efficient processes. Our well established and EN9100-certified QM system is the ideal platform for this.

The corporate policy of the Aerotech Peissenberg Group is founded on guidelines and strong values.

The mission statement of the Aerotech Peissenberg Group defines responsibilities towards customers, contractual partners, shareholders, staff and society. These responsibilities form the framework for the actions of all Aerotech staff.

Our most important corporate values are: future orientation, innovation, flexibility, quality, transparency and openness.

## **Foreword of the CEO of Aerotech Peissenberg GmbH & Co. KG (ATP)**

The reputation of our company and the trust of our customers, investors, staff and the public depend decisively on the specific behavior of every single person who is employed by the Aerotech Group. Every one of us must contribute to our company doing justice to the responsibilities and values described here. Thus the responsibilities set in the mission statement of the Aerotech Group form the framework for the rules that we are presenting here.

This Code of Conduct contains minimum standards that are binding for every single employee of the Aerotech Group. For this purpose it will help to master legal and ethical challenges in daily work, to create orientation and thus further to strengthen trust in the performance and integrity of the Aerotech Group.

Every employee can turn to their immediate superior/line manager or to the other points named if they have any questions or require any information.

On behalf of the Aerotech Group, Aerotech Peissenberg, appoints a Compliance Officer, who evaluates any breaches reported and who carries out suitable measures, involving the company co-determination committees if applicable.

Peissenberg, December 2022

## **2. Customers/Contractual partners**

### **2.1 Integrity in fair competition**

National and international regulations determine how the Aerotech Group sells its products and technologies or can carry out exchanges of information with competitors. The respective regulations are binding for the Aerotech Group. Every single employee is obliged to comply with these regulations.

Market participants can only unfold their potential in fair competition. Therefore we act with integrity in the competition for market share. Every employee is obliged to observe and comply with the rules of fair competition. In particular, staff must not hold any discussions with competitors in which commercial and technological aspects are discussed. Discussions with competitors about agreements not to compete, about the submission of sham offers or the division of customers, regions or production programmes are prohibited. This also includes informal meetings or agreements, or concerted actions with the aim or effect of the restrictions to competition specified above.

### **2.2 Contractual negotiations with public authorities**

Staff who is involved in contractual negotiations with public authorities should know the directives that apply to the tender process in the respective country and must not breach these directives or give the appearance of doing so.

It is a fundamental principle of the Group to apply for orders with fair and legal means and to carry out contractual negotiations in compliance with all valid customer requirements and legal provisions. Effective contracts must comply with all contractual and legal obligations.

### **2.3 Correct reporting**

All records and reports that are produced internally or are given externally must be correct and truthful. Data recording and other records must continually be complete, correct, timely and system compatible.

### **2.4 Offering and granting advantages**

In the competition for orders we rely on the quality and benefits of our products and services for our customers/contractual partners as well as on reasonable prices. We support national and international efforts not to influence or falsify competition through bribery.

Gratuities of all kinds from staff of the Aerotech Group to government officials or the staff of other companies with the aim of receiving orders or unfair advantages for the Aerotech Group or other persons are not allowed, subject to the following regulations.

Staff of the Aerotech Group is obliged not to give any gifts to officials or other business partners, regardless of whether these are in the form of presents or hospitality, if these could be considered to be business incentives. If justified, such business gifts should be oriented on usual market practice.

Courtesy presents that correspond to usual, general business practices to a certain extent are to be treated in accordance with the law binding for us. In every case they are to be selected in a manner that the recipient does not have to hide their acceptance and that recipients do not feel themselves forced into dependency combined with any obligations.

## **2.5 Encouraging and accepting advantages**

Presents and hospitality from business partners correspond to usual, general business practices to a certain extent. However, their acceptance can lead to conflicts of interest and endanger the good reputation of our company. For this reason, the acceptance of gifts is generally not allowed

No employee is allowed to use his own position or function in the company to encourage, accept or provide personal advantages.

## **3. Investors/Shareholder**

### **3.1 Responsible corporate management**

Alongside the interests of our customers, the interests of our shareholders, staff, suppliers, lenders and other stakeholders are taken into account with the aim of sustainability increasing the value of the company.

The basic structure for arranging responsible, transparent corporate management oriented on value creation is formed by the applicable laws, the articles of association of the company and the internationally recognized standards summarized in the German Corporate Governance Code. The ongoing monitoring and adjusting of important functions or our management and control systems according to requirements, guarantee that our financial aims are reached and that all justified claims can be met.

## **4. Staff**

### **4.1 Management culture**

Every executive is responsible for their staff. Executives must gain the recognition of their staff through exemplary personal behaviour, performance, openness and social skills. The executive places trust in their staff and agrees clear, ambitious and realistic targets and grants their staff as much individual responsibility and leeway as possible.

### **4.2 Developing staff**

The success of the Aerotech Peissenberg Group is thanks to the knowledge, experience and commitment of every single member of staff. The Aerotech Peissenberg Group invests in the qualification and skills of staff; commitment and performance are particularly encouraged. This is how we guarantee the sustainability of the Aerotech Peissenberg Group.

### **4.3 Creating a positive working atmosphere**

Creating a positive working atmosphere requires the recognition of employee rights. Compliance with recognized health and safety standards in the workplace are fundamental principles. Designing working conditions in a manner that promotes health is a component of the duty of care of staff.

Comprehensive social dialogue is also a permanent concern of the Aerotech Peissenberg Group. In addition, the Group feels itself obliged to ensure equality of opportunity for its staff and to give them the possibility for personal development.

### **4.4 Fairness, tolerance and equal opportunities**

Our appreciation of our staff is the same for all of them – regardless of nationality, culture, religion, ethnic origin, sex, sexual orientation or age. As a Group, we treat our staff fairly and openly as well as with understanding and tolerance. In this respect the company expects the same from every member of staff in their dealings with colleagues, members of staff and third parties.

### **4.5 Public image**

As a principle the Aerotech Peissenberg Group approves staff commitments in public roles at local or national level. If such a commitment is connected with activities of the Aerotech Peissenberg Group, the prior agreement of the employee's superior is required.

As a principle the right of freedom of expression applies to public statements made by employees of the Aerotech Peissenberg Group. All members of staff must ensure that their official image in public does not damage the image of the Aerotech Peissenberg Group. No reference to the employee's role or employment in the company should be made in private expressions of opinion.

#### **4.6. Avoiding conflicts of interest**

The Aerotech Peissenberg Group places great emphasis on its staff avoiding conflicts of interest or loyalty in their official employment. Such conflicts can occur if an employee is employed by another company or has a holding in another company. Therefore, operating a company or owning an important, direct or indirect shareholding in a company that is in competition with or has business relationships in full or in part with the companies of the Aerotech Peissenberg Group is prohibited. Excluded from this regulation are secondary employment and shareholdings that verifiably can have no influence on the activities of the Aerotech Peissenberg Group. Existing regulations in the companies about the notification of secondary employment remain unaffected.

The directors and employees of the Aerotech Peissenberg Group must avoid every situation from which a conflict between their personal interests and the interests of the Aerotech Peissenberg Group could arise, or could give the impression that such a conflict could occur. A conflict of interests can occur if a director or employee takes action or pursues interests that could impede the objective and effective fulfilment of their duties and the assumption of their responsibility towards the Aerotech Peissenberg Group.

All business activities and relationships of the Aerotech Peissenberg Group are in harmony with the financial and technical targets of the Group and are based on normal business relationships with partners and suppliers.

When appointing employees who are or were employed by state bodies, the Aerotech Peissenberg Group complies with laws and provisions about conflicts of interest. These regulations can restrict the opportunities of the Aerotech Peissenberg Group to appoint certain persons from this group and to restrict the areas of employment of such persons. This also applies to contacts or negotiations with public servants with reference to employment possibilities at the Aerotech Peissenberg Group or their use as consultants or subcontractors.

Relationships between companies of the Aerotech Peissenberg Group and its business partners – both suppliers and public servants – must be characterized by transparency, especially in Purchasing and Sales. The same regulation applies to former employees of the Aerotech Peissenberg Group who directly or indirectly supply the Group with goods or services.

Actual or potential conflicts of interest are to be reported by the affected employee or director. Such disclosure can be made to every person who will be appointed as a Compliance Officer in the future so that the situation can be clarified quickly and appropriately. In the event of any questions or doubt whether a certain situation or activity could be the reason for a conflict of interest, the Compliance Officer should be consulted.

#### **4.7 Data protection, confidentiality and the protection of third party rights**

Personal data may only be collected, processed or used if this is required for set, clear and lawful purposes. A high standard of data quality and of technical safeguards against unauthorized access must be guaranteed. The utilization of data must be transparent for those affected and their rights to information and correction as well as to objection, blocking and deletion, must be protected.

Patents, inventions and other know-how are of great significance to the success of the Aerotech Peissenberg Group. Therefore, no employee may forward new findings or company secrets to third parties in any form whatsoever; as a principle official documents and data storage media are to be protected against unauthorized access.

Every employee must respect effective third party property rights; unauthorized use of such rights must not occur. During their employment for the Aerotech Peissenberg Group no employee may procure or use unauthorized secrets of a third party.

#### **4.8. Protection of assets**

Property of the Aerotech Peissenberg Group (including documents and information) must not be viewed, used, publicized or amended without the appropriate entitlement to do so. It must on no account be stolen, damaged or destroyed unless destruction is necessary for operational reasons.

Staff is to contribute to the strengthening and protection of the Group and its image in their behavior. Aerotech Peissenberg Group expects that its staff and business partners protect the tangible and intangible assets and the reputation of the Group. These assets include real estate, capital equipment and inventories; securities and cash; office equipment and office supplies; information systems including software; patents, trademarks and copyrights as well as proprietary information and know-how.

In general Group property may only be used in the course of employment for the Aerotech Peissenberg Group. Instruments, tools and other work equipment made available to staff are to be treated with the greatest care.

The property and rights of third parties are to be treated with the same care and to be respected to the same degree as the corresponding valuables of the Aerotech Peissenberg Group.

#### **4.9 Compliance with export and import control laws**

All staff who is involved in the import or export of goods, services or technical information must know and comply with the relevant statutory provisions. Moreover, they are to ensure the provision of precise import and export documents.

Aerotech Peissenberg Group staff must comply with export and import control laws for goods and technical information. Authorization approvals existing in the company must be complied with.



If the export of products and technical details to countries affected is regulated, staff must obtain the appropriate licenses and other official authorization before export.

All staff must give true and accurate information about all export transactions, including information about technical data and the financial value.

#### **4.10 Fraudulent activities**

Fraudulent activities or their toleration or support are strictly prohibited for all employees. This includes, for example, deception, fraud, dishonest practices or breach of trust committed intentionally for gain or to obtain an unfair or dishonest advantage. This includes, but is not limited to, falsification of information, intentional omissions, misrepresentation of facts and intentional misuse of qualified resources or certifications/qualifications/authorizations.

## **5. Society and environment**

### **5.1 Compliance with the law**

The observation of and compliance with the law are a matter of course for our company. Every single employee is obliged to comply with the legal system within which they act.

Furthermore, we orient our corporate and societal behavior in accordance with the agreements listed in the addendum in particular.

### **5.2 Societal acceptance**

The societal acceptance of our activities is the prerequisite for our long term and sustainable corporate success. We are aware that our reputation is influenced by the appearance, actions and behavior of everyone in our Group. Every employee must pay attention to the image of the Aerotech Peissenberg Group in society and orient themselves on this principle when fulfilling their tasks.

### **5.3 Human dignity**

We are part of society and promote its development in accordance within our possibilities. We respect the personal dignity of every single human being.

We do not tolerate any discrimination in our activities. This applies both to internal cooperation and to our behavior towards external partners. The culture of our company is committed to this principle.

### **5.4 Sustainability**

We orient ourselves on the principles of sustainability. We are aware of the shortage of resources and our responsibility towards future generations and therefore ensure that our products and manufacturing processes correspond to the conditions of sustainable development with respect to the three elements of ecology, economy and social responsibility. Every employee acts in accordance with these principles at their workplace.

### **5.5 Donations**

The Aerotech Peissenberg Group makes donations of money for social concerns as well as sport. Giving donations always has to be transparent and in principle requires a resolution from the respective board of management. The recipient of the donation and the specific application by the recipient must be known and comprehensible. Furthermore, it must be possible to give an account of the donation to the public at any time.

## 6. Compliance with the Code of Conduct

### 6.1 Information and questions

Every employee will be made aware of this Code of Conduct. It is the task of every executive of the Aerotech Peissenberg Group to ensure that the employees assigned to them know this Code of Conduct and are familiar with its implementation.

Questions about this Code of Conduct will come up again and again. In the event of any uncertainties about correct behavior, employees can discuss the matter with their superior or with their Compliance Officer or with the Group Compliance Officer.

### 6.2 Breaches and sanctions

Any breaches against the Code of Conduct can lead to consequences for the employer-employee relationship and its existence as well as to claims for compensation.

### **Addendum** to the Code of Conduct of the Aerotech Peissenberg Group

Alongside the laws and provisions of individual countries, there are a range of agreements and recommendations from international organizations. They are primarily addressed to member states, not directly to individual companies. However, they are important guidelines for the behavior of an internationally active company and its employees. Therefore the Aerotech Peissenberg Group places great emphasis worldwide on conformance with these guidelines in its corporate actions.

The most important agreements of this kind are detailed below:

General Declaration of Human Rights, 1948 (UN) and the European Convention on Human Rights, 1950

Tripartite Consultation (International Labour Standards) of the ILO (International Labour Organization) on multinational corporations and social policy and the 1998 Declaration on Fundamental Principles and Rights at Work (primarily the following issues: prohibition of child labour, abolition of forced labour, right of association and the right to collective negotiations)

OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997